

CLAIMS

What is claimed is:

1. A method for paying in a commercial transaction between a supplier and a buyer, comprising:

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essentially neutralizing a trade risk associated with payment for a commercial transaction for the delivery goods or services from said supplier to said buyer, said commercial transaction including credit terms permitting payment for said goods or services at a future date;

engaging a facilitator to obtain capital from one or more financial institutions against a commitment of said buyer to effect said payment at a future date;

paying a portion of said capital to said supplier in advance of said future date, said portion being said supplier's satisfaction for said commercial transaction;

honoring said commitment to effect said payment on or about said future date; and

distributing between said buyer and said facilitator a difference between capital obtained from said one or more financial institutions and said portion paid to said supplier.

2. The method claimed in claim 1, wherein said essentially neutralizing a trade risk comprises issuing an irrevocable order by said buyer to pay for said goods or services.

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3. The method claimed in claim 2, wherein said issuing an irrevocable order comprises issuing an irrevocable order to pay for said goods or services under at least one sales transaction.

4. The method claimed in claim 2, wherein said issuing an irrevocable order comprises issuing an irrevocable order to pay for said goods or services under at a plurality of sales transactions.

5. The method claimed in claim 1, wherein said engaging a facilitator comprises engaging a facilitator to obtain capital from financial institutions competing to put up capital against said commitment.

6. The method claimed in claim 1, wherein said essentially engaging a facilitator further comprises said buyer collaborating with said facilitator to select invoices suitable for financing.

7. The method claimed in claim 5, wherein a financial institution is selected~~5~~to put-up capital at least partly on the basis of a cost of said capital.

8. The method claimed in claim 1, wherein capital put up by a financial institution is put up as credit secured by said commitment of said buyer.

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9. The method claimed in claim 1, wherein capital put up by a financial institution is put up as consideration for a sale of said commitment of said buyer.

10. The method claimed in claim 1, wherein said paying a portion of said capital comprises said supplier paying a portion of a sales price for a given sale of goods or ~~services~~, said portion reflecting a discount offered by said supplier in consideration of early payment for said given sale.

11. The method claimed in claim 10, wherein said portion of a sales price is less than an amount of capital obtained from a financial institution with respect to said given ~~sale~~.

12. The method claimed in claim 1, wherein said honoring comprises paying up said commitment directly to said one or more financial institutions.

13. The method claimed in claim 1, wherein said honoring comprises ~~paying~~ up said commitment to said facilitator, and said facilitator paying said one or more financial institutions.

14. The method claimed in claim 1, wherein said distributing comprises distributing to a buyer an entire spread between capital obtained from said one or more financial institutions with respect to a sale, and a portion paid to said supplier with respect to said sale, and further comprising paying a commission to said facilitator out of said spread.

15. The method claimed in claim 1, wherein said distributing comprises distributing to said facilitator an entire spread between capital obtained from said one or more financial institutions with respect to a sale, and a portion paid to said supplier with respect to said sale, and further comprising paying to said buyer an agreed to fee in consideration of ~~said~~ buyers collaboration.

16. A method for financing a commercial transaction between a supplier and a buyer, comprising:

engaging a buyer receiving goods or services under terms of trade credit from a supplier of goods or services, said trade credit permitting payment for said goods or services at a future date, said buyer neutralizing a trade risk associated with paying for said goods and services;

engaging a financial institution to provide capital against a commitment of said buyer to effect said payment at a future date;

transferring a portion of said capital to said supplier in advance of said future date, said portion satisfying consideration for the supply of said goods or services; and

distributing to said buyer at least part of a difference between said capital and said portion.

17. The method claimed in claim 16, further comprising collaborating with ~~said~~ buyer to select invoices suitable for neutralization of said trade risk.

18. The method claimed in claim 16, wherein said neutralizing a trade risk comprises issuing an irrevocable order by said buyer to pay for said goods or services at a future date.

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19. The method claimed in claim 18, wherein said issuing an irrevocable order comprises issuing an irrevocable order to pay for said goods or services under at least one sales transaction.

20. The method claimed in claim 18, wherein said issuing an irrevocable order comprises issuing an irrevocable order to pay for said goods or services under at a plurality of sales transactions.

21. The method claimed in claim 1, wherein said engaging a financial institution comprises selecting said financial institution at least partly on the basis of a cost of said capital available from said financial institution.

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22. The method claimed in claim 16, wherein capital provided by said financial institution is provided as credit secured by said commitment of said buyer.

23. The method claimed in claim 16, wherein capital put provided by said financial institution is provided as consideration for a sale of said commitment of said buyer.¹⁰

24. The method claimed in claim 16, wherein said transfeerring a portion of said capital comprises transferring to said supplier a portion of a sales price for a given sale of goods or services, said portion reflecting a discount acceptable to said supplier in consideration of early payment for said given sale.

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25. The method claimed in claim 24, wherein said portion of a sales price is less than an amount of capital provided by a financial institution with respect to said given sale.

26. The method claimed in claim 16, further comprising said buyer honoring said commitment by paying up said commitment directly to said one or more financial institutions.

27. The method claimed in claim 16, further comprising said buyer honoring said commitment by paying up said commitment to a facilitator, and said facilitator paying said one or more financial institutions.

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28. The method claimed in claim 16, wherein said distributing comprises distributing to a buyer an entire spread between capital provided by said one or more financial institutions with respect to a sale, and a portion paid to said supplier with respect to said sale, and further comprising paying a commission to a facilitator out of said spread.

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29. A method for financing of a trade credit, comprising:

receiving and storing information from parties participating in a trade credit financing transaction;

selecting according to the information received from the parties and the buyer's preference the debt to finance and the financial sources to use for financing the debt;⁵

presenting the selected debt and the corresponding accounts payable and the parties to the trade credit financing transaction to the buyer;

approving by the buyer of the selected debt and the parties to the trade credit financing transaction and by sending an ante-dated irrevocable order to pay the debt;

assigning the buyer's payment to a financial institution and receiving discounted cash in return;

paying in cash to a supplier a payment approved by the buyer less a discount; and

paying the buyer the difference between the cash received from the financial institution and the cash paid to the supplier, less an agreed commission.

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30. The method of claim 29 wherein the step of receiving and storing information comprises the steps of:

receiving an offer and a demand from a supplier to finance trade credit which the supplier granted to the buyer, accompanied by an assignment-of-debt notification to the buyer relating to selected debt which is approved by the buyer;

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receiving information representing a financial institution credit line or commitment to purchase a debt with credit exposure to the buyer; and

receiving information from the buyer on at least one approved-for payment invoice received from the supplier.

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31. The method of claim 29 wherein the step of selecting the debt to finance and the financial sources to use compromises the prioritization of debts by fixed or dynamically changing considerations of:

buyer's preferences regarding at least one supplier and/or at least one financial institution, if such preferences have been presented by the buyer;

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conditions and terms with supplier;

availability of financial resources; and

the financial spread in the trade credit financing transaction.

32. The method of claim 29 further comprising the step of the buyer further introducing modifications to the selected debt of the trade credit financing transaction.

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33. The method of claim 29 wherein the step of approval and sending an irrevocable payment order to the financial institution to pay funds against an invoice comprises the elimination of the commercial risk in respect of the selected debt.

34. The method of claim 29 wherein the step of assigning comprises using the payment commitment as a security for a recourse loan that on maturity equals the payment sum or discounting the payment for cash or a combination of a loan and cash payment, in a rate that represents the buyer's cost of funds.

35. The method of claim 29 wherein the supplier pays for exchanging the buyer's debt for cash, at a higher rate than the rate a financial institution demands for credit exposure against the buyer, and wherein the difference between these two rates, less an agreed commission, is paid in cash to the buyer following the trade credit financing transaction.

36. The method of claim 29 wherein the step of selecting is performed according to the financial spread of the at least one financial institution or credit sources or terms with the at least one supplier or other constraints.

37. Within a computer device having at least one central processing device, at least one storage device, linked to a data communications network, an apparatus for financing of a trade credit by discounting a buyer's debt to the supplier and selling the buyer's debt to a financial institution, the apparatus comprising the elements of:

an interface for interfacing with the buyer, supplier and the financial institution in order to provide information concerning the invoices and the terms of the trade credit financing transaction;

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a device for prioritizing or selecting at least one trade credit financing transaction and based on the terms of the at least one transaction for suggesting to at least one buyer at least one trade credit financing transaction; and

a database storing information of the parties to the trade credit financing transaction preferences.

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38. The apparatus of claim 37 wherein the at least one file comprises information about suppliers, financial institutions, buyers, discount demands, loans, invoices and agreed terms.

39. The apparatus of claim 37 further comprising a device for import~~ing~~ invoice information from the buyer's accounts payable system through a file, messages or direct integration.

40. The apparatus of claim 37 wherein the device for prioritizing the debt to be selected comprises procedures and rules that handle at least one constraint relating to ~~at~~ least one buyer, at least one supplier and at least one financial institution, and procedures that evaluate financial spread of plurality of possible transactions having a financial spread.

41. The apparatus of claim 37 further comprising a device for clearing the at least one trade credit financing transaction by updating and ensuring the at least one transaction ~~is~~ completed with credit from the at least one financial institution while discounting the at least one supplier.

42. The apparatus of claim 37 further comprising a device for sending the suggested transaction to the at least one buyer whereby such a suggestion is sent to the buyer's accounts payable systems.

43. The apparatus of claim 37 further comprising a display device, an input device, an output device a processor device and a storage device for storing the database, a communication device for receiving and sending the information to the at least one supplier, at least one buyer and the at least one financial institution.

44. The apparatus of claim 37 wherein the database further comprises a processed invoices file, a rules table, a financial entities file and a received instructions file.

45. A method in which an entity for financing trade credit by discounting a buyer's debt to the supplier, eliminating commercial risks of the debt through collaboration with at least one buyer and selling the at least one buyer's debt to a financial institution, the method comprising the steps of:

obtaining at least one supplier demand for a trade credit financing transaction;

obtaining a credit line at least one financial institution has proposed to provide against the buyer; 10

obtaining from at least one buyer at least one received and approved for payment invoice associated with the supplier;

processing the at least one supplier demand, the credit line and the at least one received and approved for payment invoice associated with the supplier whereby at least one invoice is selected for payment; 15

transmitting the at least one invoice selected for payment to the buyer;

receiving at least one ante-dated irrevocable payment order to the at least one financial institution to pay the entity, on the at least one selected invoice for payment due date, the total of the face value of the at least one invoice selected for payment;

receiving funds, for the assignment of the buyer's future payment, from one financial institution at a rate that represent the buyer's credit risk;

transferring to the supplier a discounted payment for the at least one invoice selected for payment, ; and

transferring the buyer payment of the difference between the funds received from the financial institution and the funds paid to the supplier, less a sum that stays with the entity.

46. The method of claim 45 wherein the at least one supplier the at least one buyer and the at least one financial institution have contractual relationship with the entity and the at least one supplier instructs the at least one buyer to pay the debts directly to the entity upon request. 30

47. The method of claim 45 wherein the step of selecting invoices comprises prioritization of the approved for payment invoice according to the at least one buyer's preferences, terms

with the at least one supplier, at least one financial institution supply of funds and spread of the transaction.

48. The method of claim 45 further comprises at least two financial institutions that offer discount rates against a debt of the at least one buyer that represent different fund costs per the at least one buyer and wherein the entity prioritize the at least two financial institutions as sources for funds by the discount rate and according to the at least one buyer's preferences.

49. The method of claim 45 further comprises at least one supplier dynamically offer higher discount rate than the discount rate agreed with the entity to create an incentive to the entity and the at least one buyer to prioritize transaction with the entity over transactions with other at least one supplier for the better financial spread.

50. The method of claim 45 wherein the at least one financial institution is a bank or an insurance company or a business entity or a business entity that raises funds in a capital market against debts, commercial papers or bonds bearing the payment commitment risk.

51. The method of claim 45 wherein the step of transfer to the supplier is performed by the entity.

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52. The method of claim 45 wherein the step of transfer to the supplier is performed by a designated third party or a trust.

53. The method of claim 19 wherein the entity for financing trade credit is a business entity or a financial institution or a non for profit or a government office.

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